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SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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FORM 10Q

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QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

T92-2233

FOR QUARTER ENDED MARCH 31, 1992 COMMISSION FILE NO. 0-3415

STV GROUP, INCORPORATED
(Exact name of registrant as specified in its charter)

Pennsylvania	23-1698231
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification)

11 Robinson Street, Pottstown, Pennsylvania	19464
(Address of principal executive offices)	(Zip Code)

(215) 326-4600
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(g) of the Act:

Common Stock $1.00 par value
(Title of class)

As of March 31, 1992, there were 1,572,265 shares of common stock of the registrant outstanding.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months, (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X NO ____

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

STV GROUP, INC., AND SUBSIDIARIES

CONSOLIDATED CONDENSED BALANCE SHEETS

UNAUDITED

	March 31, 1992	September 30, 1991
Current Assets		
Cash	$ 861,000	$ 145,000
Accounts Receivable	21,268,000	19,361,000
Costs and Estimated Profits of Uncompleted Contracts in Excess of Related Billings	10,593,000	10,576,000
Deferred tax benefits	633,000	633,000
Other Current Assets	1,249,000	1,016,000
Total Current Assets	34,604,000	31,731,000
Property and Equipment	9,639,000	9,881,000
Less Accumulated Depreciation	7,551,000	7,702,000
Net Property and Equipment	2,088,000	2,179,000
Other Assets	1,341,000	1,429,000
TOTAL	$38,033,000	$35,339,000
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Notes and Accounts Payable	$20,154,000	$18,023,000
Accrued Wages and Expenses	3,850,000	4,503,000
Billings on Uncompleted Contracts in Excess of Related Costs	4,033,000	2,406,000
Income Taxes	266,000	487,000
Total Current Liabilities	28,303,000	25,419,000
Long-Term Debt	1,843,000	2,058,000
Stockholders' Equity		
Preferred Stock	0	0
Common Stock	1,672,000	1,672,000
Capital Surplus	2,152,000	2,152,000
Retained Earnings	4,334,000	4,309,000
Total	8,158,000	8,133,000
Less: Treasury Stock	271,000	271,000
Total Stockholders' Equity	7,887,000	7,862,000
Total	$38,033,000	$35,339,000

STV GROUP, INC., AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

UNAUDITED

	SIX MONTHS ENDED March 31	
	1992	1991
Operating Activities		
Net Income	$ 24,000	$ 164,000
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and Amortization	342,000	396,000
Provision Deferred Taxes	(209,000)	(1,213,000)
Other	54,000	(142,000)
Changes in Operating assets and liabilities		
Accounts Receivable	(1,907,000)	(932,000)
Costs of uncompleted contracts in excess of billings and prepaid expenses	(249,000)	282,000
Accounts Payable and accrued expenses	1,854,000	1,501,000
Billing in excess of related costs	1,627,000	2,076,000
Current Income Taxes	(12,000)	7,000
Proceeds from stock contribution to Employee Stock Ownership Program (ESOP)	---	150,000
Net Cash provided by (used in) operating Activities	$ 1,524,000	$ 2,289,000
Investing Activities		
Purchase of Property and Equipment	(221,000)	(176,000)
Purchase of Software	(31,000)	(32,000)
Decrease (Increase) in other assets	34,000	56,000
Net Cash used in investing activities	$ (218,000)	$ (152,000)
Financing Activities		
Proceeds from line of credit and long term borrowings	20,837,000	4,540,000
Principal payments on line of credit and long term borrowings	(21,427,000)	(6,120,000)
Net Cash (used in) provided by financing activities	$ (590,000)	$(1,580,000)
Increase (decrease) in cash and equivalents	716,000	557,000
Cash and equivalents at beginning of year	145,000	131,000
Cash and equivalents at end of period	$ 861,000	$ 688,000

STV GROUP, INC., AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF INCOME

UNAUDITED

	THREE MONTHS ENDED March 31		SIX MONTHS ENDED March 31	
	1992	1991	1992	1991
Net Sales and Income				
From Services	$17,890,000	$17,559,000	$35,357,000	$35,588,000
Costs and Expenses				
Costs of Services and Sales	16,221,000	15,541,000	31,992,000	31,533,000
Selling, Administrative and General Expenses	1,289,000	1,568,000	2,548,000	3,017,000
Minority Interest in Joint Venture	46,000	(91,000)	54,000	(142,000)
Interest	354,000	413,000	721,000	894,000
Total Costs and Expenses	17,910,000	17,431,000	35,315,000	35,302,000
Income Before Income Taxes	(20,000)	128,000	42,000	286,000
Income Taxes	(9,000)	55,000	18,000	122,000
Net Income From Continuing Operations	$ (11,000)	$ 73,000	$ 24,000	$ 164,000
Earning Per Common Share				
Primary Earning Per Share	$ .00	$ .05	$ .02	$ .11
Weighted Average Common Shares	1,572,265	1,535,468	1,572,265	1,525,945

Notes to Consolidated Condensed Financial Statement

March 31, 1992

Note A - Basis of Presentation

The accompanying unaudited consolidated condensed financial statements have been prepared in accordance with the instruction to Form 10-Q and therefore do not include all information and footnotes necessary for a fair presentation of financial position, results of operations, and cash flows in conformity with generally accepted accounting principles.

Item 2. Management Discussion and Analysis of the Results of Operation

Total revenues for the quarter ended March 31, 1992 (second quarter fiscal 1992) increased 1.9% compared to the second quarter of fiscal 1991 and increased 2.4% from the previous quarter. Engineering revenues (total revenues excluding pass through costs) decreased 3.1% compared to the second quarter of 1991 but increased 2.8% compared to the previous quarter. This is the second quarterly increase in engineering revenues and reflects an increase in demand for services, particularly in the transportation field.

Cost of Services, expressed as a percentage of revenue, increased to 90.6% from 88.5% incurred in the second quarter of fiscal 1991 and is comparable to the 90.3% in the previous quarter. This increase is due in part to the reclassification of certain costs from General and Administrative Cost to Cost of Sales. Without this reclassification, Cost of Services for the second quarter of 1992 would have been 90.0%. This increase over the comparable quarter of fiscal 1991 is due mainly to engineering revenues decreasing at a greater rate than the reduction in costs.

General and Administrative expense, expressed as a percentage of revenue, decreased to 7.2% from the 8.9% of the second quarter of fiscal 1991 remaining consistent with the 7.2% in the previous quarter. The reduction from the second quarter of fiscal 1991 was due in part to the above mentioned reclassification. Without this reclassification, General and Administrative expense would have been 7.9%. This decrease is due to a reduction in staffing and consulting fees.

Interest expense expressed as a percentage of revenue decreased to 2.0% from the 2.4% of the comparable quarter of fiscal 1991 but was comparable to the 2.1% of the previous quarter. The decrease from the second quarter of fiscal 1991 was due to the reduction in the prime interest rate charged by the bank.

Item 2. Management Discussion and Analysis of the Results of Operation (Continued)

Earnings per common share was 0 cents for the second quarter of fiscal 1992 as compared to 5 cents per share in the second quarter of fiscal year 1991. This reduction is primarily due to the decrease in engineering revenues.

Financial Condition

Working capital decreased to $6,301,000 from the $6,417,000 in the previous quarter. Capital resources available to the company include an existing line of credit for working capital. The current line is a maximum of $16.5 million based on accounts receivable and work-in-progress of which approximately $2 million is currently available. The company believes the existing line of credit is adequate to meet the financial needs of the company. The company is continuing to purchase additional computer assisted design and drafting equipment and expects the equipment and related software to continue to be a major portion of the company's future investment. The company's backlog remains strong at 65 million.

SIGNATURES

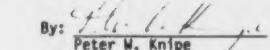
Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

STV GROUP, INC.
(Registrant)

5/14/92
Date

By:
Michael Haratunian
President and CEO

5/14/92
Date

By: 
Peter W. Knipe
Treasurer